

Workers' Compensation Insurers' Task Force Sept. 18, 2013

Members present

Karen Clayton-Ebert
Robert Farber
Michael Johns for David Oertli
Robert D. Johnson
Margaret Kasting
Stacy Kohlhofer for Charles Bierman *via telephone*
Robert Rangel
Laurie Simonsen
Cori Wentzlaff
Gary Westman

Members absent

Mary Abraham
Claire McCoy
Susan Pilon
Ryan Shaughnessy
Cindy Van Eyll

Visitors and staff members present

Kevin Adams, MCIT
Kate Berger
Kris Eiden, Deputy Commissioner
Karen Kask-Meinke
Chris Leifeld
Phil Moosbrugger
Ken Peterson, Commissioner
Jessica Stimac
Jim Vogel
Lisa Wichterman
Christine Zimmer, Winthrop & Weinstine

Call to order

The meeting was called to order at 9:02 a.m. by co-chairwoman Karen Clayton-Ebert. Announcements were made. Members introduced themselves.

Approval of the agenda

Meg Kasting moved to accept the agenda as presented. Rob Rangel seconded, all approved. Motion passed.

Approval of the minutes

Kasting moved to accept the March 20, 2013, meeting minutes as presented. Rangel seconded, all approved. Motion passed.

New business

Department update – Deputy Commissioner Kris Eiden

Department rulemaking updates relating to workers' compensation can be found at www.dli.mn.gov/RulemakingWC.asp.

Medical Cost Reimbursement Study: The focus of the study is the reimbursement of medical costs and how those costs impact medical providers, as well as insurers. DLI set up three internal teams to focus on three major topics within the umbrella of the reimbursement cost study.

- Reimbursement methodology – Hospitals are generally reimbursed 100 percent of their charges or 85 percent of their charges. This team will look at other options of reimbursement, particularly DRGs, cost-to-charge ratios and a number of other methods that were contained in a study by CGI Federal, conducted at the department’s behest about six months ago. That study is available on the department’s website at www.dli.mn.gov/WC/Pdf/cgi_federal_report2012.pdf.
- Payment mechanics – There were comments made during the session that hospitals and/or payers were not using e-billing; the whole idea of e-billing is that it cuts costs and speeds-up the process. DLI has a team looking at that on both ends to find out whether the providers are sending the bills and the payers are able to receive them electronically.
- Friction costs – The final team is looking at what costs are occurring in the system because of the friction between payers and health care providers. An example of friction costs is the use of bill reviewers. DLI will try to determine the costs that are attributed to functions that exist because of the disputes inherent in the system.

Eiden noted this study is on the fast track so DLI can provide its findings and recommendations before the end of the year. DLI will be tapping into publicly available data from the Workers’ Compensation Research Institute, the CGI study, the Minnesota Department of Health and anywhere it can get publicly available information. DLI is also setting up meetings with various stakeholders, including insurers, hospitals and a number of trade associations. Eiden invited anybody with information that would be helpful to DLI or who would like to share their view of this project to contact her or the commissioner. DLI will also be sending written requests for information to insurers, self-insurers, hospitals and ambulatory surgery centers.

Overview of PTSD coverage – Kate Berger

Kate Berger provided handouts (Article 2, Chapter 70 and DSM 5) and went over highlighted issues regarding PTSD. The law allows coverage for post-traumatic stress disorder. The law requires it has to meet the requirements of this DSM 5 in eight different categories.

There is some case law about PTSD. Berger generally discussed the following cases: Layne v. Sam’s Club, Mohamed v. Viracon, Inc. and Schuetz vs. City of Hutchinson. These cases are available at <http://search.state.mn.us/workcomp>.

Vocational rehabilitation, conference scheduling – Chris Leifeld

Chris Leifeld, director of DLI’s Alternative Dispute Resolution unit, addressed the task force regarding the 21-day deadline to schedule conferences on all rehabilitation requests. The department’s process is to immediately schedule a conference when a rehabilitation request is received to ensure the conference is held within the 21-day requirement. After that, the assigned mediator determines if there is a dispute and attempts to resolve it. If there is no dispute or the dispute is able to be resolved the conference is canceled. Typically, conferences can be scheduled on the day the request is received. Most conferences are held on the 18th day. Sixty-seven percent of the conferences are held within the 21-day period.

Leifeld said the typical reason for a conference to miss the 21-day deadline is unavailability of outside attorneys and other parties to the dispute.

EDI update – Jim Vogel

Jim Vogel provided a summary of what has occurred since the group last met. In May 2013, DLI implemented edit changes to requirements for existing training partners and opened up for new training partners to start applying to begin EDI. In July, DLI had its e-portal and Web portal online so that people can use that as an option. In late July, DLI published draft rules and asked for comments and requests for hearing. DLI received two comments and zero requests for hearing; DLI is now in the process of getting the rules finalized and to the administrative law judge for approval. Right now, there are 59 companies in production to send EDI or e-FROI Web portal forms to DLI. Two other companies have completed testing but are not yet in production; about 32 companies DLI has received profiles from have begun the testing process and roughly 34 companies have not yet submitted profiles. The deadline to submit profiles is Oct. 1. DLI is hoping to have everyone up and running by Dec. 1.

Patient Advocate Pilot Project – Phil Moosbrugger

DLI Ombudsman Phil Moosbrugger stated that this past session, the Minnesota Legislature passed a law requiring the establishment of a patient advocate program. Therefore, a two-year pilot program has been set up to provide information and assistance to injured workers with serious low back injuries so they understand treatment options within the workers' compensation system.

The program will not advise injured workers toward a course of treatment, but rather be a source of information enabling them to make informed decisions regarding their medical care.

The program initially will have two primary components, which are outreach and service. The department is in the process of developing a mailing intended for injured workers with serious low back injuries who are considered candidates for surgery. Eiden encouraged everyone to contact qualified rehabilitation consultants (QRCs), insurers, labor representatives, etc. about the patient advocate services, to make them aware of the program and ask that they inform the department of workers who may benefit from the program. Moosbrugger also reported DLI's website offers resources for injured workers to answer many frequently asked questions and links to reputable sources, such as the Mayo Clinic, on a new Web page for the program at www.dli.mn.gov/WC/OmbudsmanPatientAdvocate.asp. The Workers' Compensation Hotline is listed, 1-800-342-5354, as well as the direct phone number to DLI's patient advocate.

Reports, meeting schedule

- The most recent edition of *COMPACT* is online at www.dli.mn.gov/WC/Compact.asp.
- The WCITF meeting schedule, agenda and approved minutes are online at www.dli.mn.gov/Wcitif.asp.
- The 2014 meeting schedule is March 19, May 21, Sept. 17 and Nov. 19.
- The next meeting date is March 19, 2014.

Adjournment

The meeting adjourned 10:13 a.m.

Respectfully submitted,

Carrie Rohling

Executive Secretary